

# **EXHIBIT 1**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

W.R. GRACE & CO., *et al.*,

Debtors.

Chapter 11

Case No. 01-01139 (JKF)  
Jointly Administered

**ORDER**

Upon consideration of the Stipulated Scheduling Order attached as Exhibit A, it is hereby ORDERED that the Stipulated Scheduling Order is approved in all respects.

Dated: August \_\_\_\_, 2008

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The Honorable Judith K. Fitzgerald  
United States Bankruptcy Judge

## **Exhibit A**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>W.R. GRACE &amp; CO., et al.,</b>	)	<b>Case No. 01-01139 (JKF)</b>
	)	<b>Jointly Administered</b>
<b>Debtors.</b>	)	

**STIPULATED SCHEDULING ORDER  
RELATING TO THE DEBTORS' OBJECTION TO THE UNSECURED  
CLAIMS ASSERTED UNDER THE DEBTORS' CREDIT  
AGREEMENTS DATED AS OF MAY 14, 1998 AND MAY 5, 1999**

In connection with the contested matter of the Debtors' Objection to the Unsecured Claims Asserted Under the Debtors' Credit Agreements Dated as of May 14, 1998 and May 5, 1999 (the "Objection"), the above-captioned debtors in possession (the "Debtors"), certain lenders under the Pre-Petition Bank Credit Facilities<sup>1</sup> (the "Bank Lenders"),<sup>2</sup> the Official Committee of Unsecured Creditors of W.R. Grace & Co., et al. ("Creditors Committee"), and the Official Equity Security Committee (the "Equity Committee," and together with the Debtors, the Bank Lenders, the Creditors Committee and the Equity Committee, the "Parties") state as follows:

A. On April 2, 2001, the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the "Court").

B. On April 22, 2002, the Court entered an order setting March 31, 2003 as the

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<sup>1</sup> The Pre-Petition Bank Credit Facilities include (i) that certain Credit Agreement, dated May 14, 1998, among the W.R. Grace & Co., W.R. Grace & Co.-Conn, The Chase Manhattan Bank, as Administrative Agent ("Administrative Agent"), Chase Securities Inc., as arranger, and certain Banks party thereto, and (ii) that certain 364-Day Credit Agreement, dated May 5, 1999, among the Company, W.R. Grace & Co.-Conn, Bank of America National Trust Savings Assoc., as documentation agent, The Chase Manhattan Bank, as administrative agent, Chase Securities Inc., as book manager, and certain Banks party thereto.

<sup>2</sup> The Bank Lenders include (i) Anchorage Advisors, LLC; (ii) Avenue Capital Group; (iii) Bass Companies; (iv) Caspian Capital Advisors, LLC; (v) Catalyst Investment Management Co., LLC; (vi) Citigroup Special Situations; (vii) Intermarket Corp.; (viii) JD Capital Management, LLC; (ix) JP Morgan Chase, N.A. Credit Trading Group; (x) Lehman Brothers Inc.; (xi) Loeb Partners Corporation; (xii) MSD Capital, L.P.; (xiii) Murray Capital Management, Inc; (xiv) Normandy Hill Capital, L.P.; (xv) Ore Hill Partners, LLC; (xvi) P. Schoenfeld Asset Management, LLC; and (xvii) Restoration Capital Management, LLC.

bar date to file proofs of certain claims, including those held by the Bank Lenders.

C. On March 27, 2003, the Administrative Agent filed on behalf of the Bank Lenders and the other Lenders under the 1998 and 1999 Credit Agreements Proofs of Claim Numbers 9159 and 9168, asserting, *inter alia*, various claims under Credit Agreements Dated as of May 14, 1998 and May 5, 1999.

D. On June 13, 2008, the Debtors filed the Objection. The Equity Committee filed a joinder to the Objection on July 3, 2008, and on July 11, 2008, the Administrative Agent, the Bank Lenders and the Creditors Committee filed responses to the Objection (the "Responses").

E. On June 23, 2008, the Court held a status conference regarding the Objection, and set a hearing date on the Objection for September 15, 2008, at 10:30 a.m. in Pittsburgh, Pennsylvania (the "Hearing").

F. The Parties, having met and conferred, desire to enter into a pre-Hearing schedule relating to the Objection.

WHEREFORE, IT IS HEREBY STIPULATED AS FOLLOWS:

1. Written Discovery: The Parties each may serve written discovery requests no later than August 6, 2008. Responses and objections to written discovery requests shall be served no later than August 13, 2008.

2. Depositions: The Parties may commence depositions of fact and expert witnesses on August 21, 2008. All depositions shall take place between August 21 and August 29, 2008.

3. Service of Trial Affidavits: Each Party shall serve all affidavits it intends to file with or submit to the Court in support of or in opposition to the Objection by no later than August 14, 2008, at 5:00 p.m.

4. Reply: Each of the parties' rights are reserved with respect to filing any reply or sur-reply relating to the Objection or Responses and matters raised in the affidavits or discovery submitted or produced in accordance with this Stipulated Scheduling Order. If the parties cannot reach an agreement regarding the filing of replies and sur-replies, any of the parties may request a telephonic conference with this Court or may file a motion for an order authorizing such party to file a reply, sur-reply or Response. Notwithstanding anything to the contrary in this numbered paragraph 4, any reply, sur-reply or Response filed relating to the Objection shall be filed no later than September 5, 2008 by 4:00 p.m.

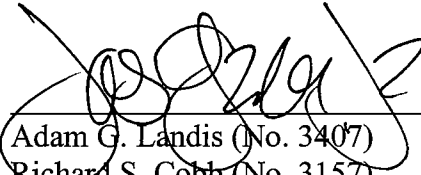
5. Amendments to Scheduling Order: The dates set forth in this Stipulation may be amended upon written agreement of the Parties, without approval from the Court if the Court's calendar will not be affected, or with approval from the Court if the change(s) will affect the Court's calendar.

6. Service: Service of all pleadings, affidavits and other documents required to be served under this Stipulation shall be served via electronic mail and overnight, express delivery on respective counsel for the parties listed below.

7. Limitation on Issues to be Litigated at the Hearing: All parties agree that for purposes of the Hearing all rights are reserved with respect to, and no party shall present evidence on or otherwise litigate, the issue of solvency based on the Debtors' assets and estimated or actual liabilities.

Dated: August 6, 2008

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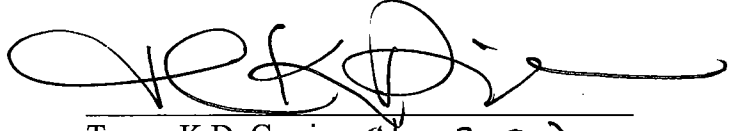
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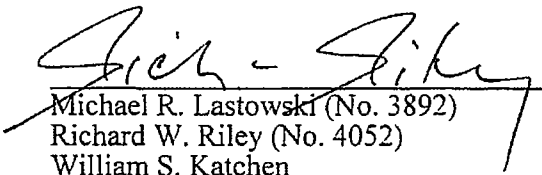
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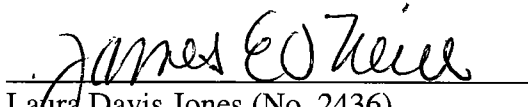
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- and -

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A handwritten signature in black ink, reading "James E. O'Neill", is written over a horizontal line.

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